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ATTORNEY-AT-LAW

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September 15, 1994

VIA COURIER

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Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

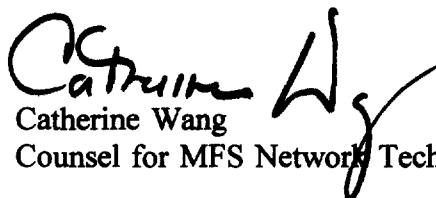
Re: MFS Network Technologies, Inc. Ex Parte Presentation
in Docket No. 93-61

Dear Mr. Caton:

Pursuant to Section 1.1206 of the Commission's Rules, 47 C.F.R. § 1.1206 (1993), on behalf of MFS Network Technologies, Inc. ("MFS"), this letter is to advise the Commission that Howard Sierer, Vice President, Sales and Market Development Transportation Systems from MFS and, as MFS' counsel, met with Ruth Milkman of Chairman Hundt's office on September 15, 1994. In that meeting, we discussed the automatic vehicle identification ("AVI") industry's commitment to the 902-928 MHz band and the urgent need for prompt Commission action in this docket. In support of MFS' position, we submitted the attached letter from ten AVI companies demonstrating the industry's common view regarding those issues.

Any questions regarding this notice should be addressed to the undersigned.

Very truly yours,


Catherine Wang
Counsel for MFS Network Technologies, Inc.

Attachment

cc: Ruth Milkman
Kevin Moersch
Howard Sierer
Andrew Lipman

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August 1994

Mr. Reed Hundt
Chairman
Federal Communications Commission
Washington, D.C. 20554

Re: PR Docket No. 93-61

Dear Chairman Hundt:

As leaders in the Electronic Toll and Traffic Management (ETTM) industry and suppliers of virtually all of North America's operational Automatic Vehicle Identification (AVI) systems, we are deeply concerned about the confusion that exists regarding the preferred frequency for AVI systems. For short range vehicle to roadside communications, we vigorously support the use of the 902 - 928 MHz band for AVI in North America and we oppose the adoption of 2.45 GHz

Our support for this frequency band is based on technical performance, user cost, and regulatory policy considerations:

- **Technical Performance.** The 902 - 928 MHz band has proven itself extensively in actual toll operations. No site is experiencing interference which adversely impacts AVI operations. Because AVI systems operate only over very short distances, they are highly spectrum efficient and pose no operational interference threat to other AVI or LMS systems, nor to other authorized radio devices, including unlicensed Part 15 devices. There is no technical basis to believe that the 2.45 GHz band offers equal, let alone better performance than the 902 - 928 MHz band and there is a risk that it could be worse, given the lack of real-world 2.45 GHz experience in North America. Those who advocate the use of 2.45 GHz ignore the fact that there are over 30 times as many FCC operating licenses for non-ETTM applications in this band as compared to the 902 - 928 MHz band. Furthermore, early generation 2.45 GHz AVI systems installed in Europe are scheduled to be replaced with a yet-to-be-defined European standard. We do not mean to exclude the possibility of future migrations to other frequency bands, particularly as global standards evolve. However, any changes are several years away and will not, we believe, result in use of the 2.45 GHz band for AVI systems.
- **Regulatory Policy.** FCC regulations do not allow licensed AVI equipment operation in the 2.45 GHz band while licensed operation is allowed in the 902 - 928 MHz band. Restarting the FCC AVI rule making process for the 2.45 GHz band is likely to result in a multi-year review process while non-AVI users argue for consideration. And there is no assurance that the result will accommodate AVI needs. In the interim, AVI users considering 2.45 GHz systems would either have to make a leap of faith about the FCC's eventual ruling or postpone their procurement decisions. Neither of these outcomes is good for users and the costs of this delay will be absorbed and reflected in industry prices.
- **User Costs.** Our firms offer a variety of 902 - 928 MHz AVI systems. The industry is very competitive and users have reason to expect continuing product innovation and declining prices as additional systems are deployed. Current and future systems will continue to benefit from the large number of commercially available Part 15 components available in this frequency range. A precipitous jump to the 2.45 GHz band would result in substantial industry R&D and productization investments which must be recouped from our customers and would


yield no operational or functional benefit. Also, since the shorter 2.45 GHz wavelength is inherently less efficient, radio components, even in volume, are significantly more expensive. The substantial investment made by toll operators in 902 - 928 MHz equipment would have been wasted.

The future of this growing industry depends on the Commission's finalizing rules for the 902 - 928 MHz band. The FCC has been considering Docket 93-61 for over a year. This notice of proposed rule-making confirms AVI status by granting "co-primary" status to AVI systems. Several techniques for sharing the band among its subscribers are being considered, any one of which will assure AVI operators continued interference-free operations. It is urgent that the FCC act quickly to finalize this proceeding. The on-going delay in this process has created uncertainty among users about the Commission's plans for the band and for AVI technologies. Several states have issued requests for proposals seeking AVI systems operating at 2.45 GHz rather than the 902 - 928 MHz band, based on the perception that the FCC has abandoned support for AVI in this frequency range. Fortunately, none of these states have yet implemented a system at this less desirable frequency. Further delay in Docket 93-61, however, will only increase these false perceptions and the level of confusion and uncertainty in the marketplace.

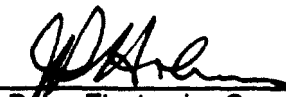
We urge the FCC and all in policy making/influencing positions in the user community to unite behind use of the 902 - 928 MHz band for AVI systems. We wish to send a clear message that ETMM industry leaders are united in their purpose and goals. Now is the time to implement proven AVI systems which benefit the motoring public with the inherent cost savings and convenience that we know are possible with today's technology.

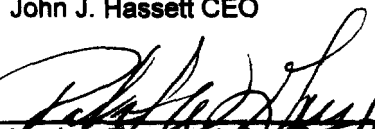
Any of our firms will be happy to answer your questions or provide additional information on this crucial issue. Please do not hesitate to contact any of us.

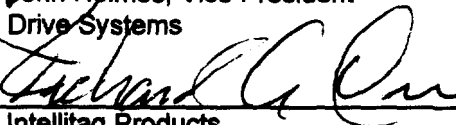
Sincerely,

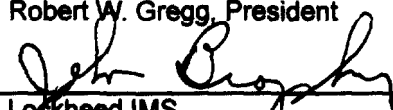

Amtech Corporation
Michael J. Breslin, Sr. Vice President


AT/Comm, Inc.
John J. Hassett CEO


Delco Electronics Corporation
John Holmes, Vice President
Drive Systems

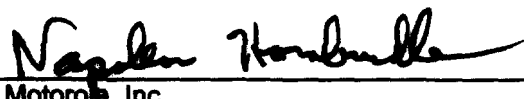

Hughes Transportation Management
Systems
Robert W. Gregg, President

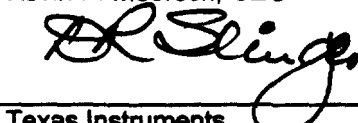

Intellitag Products
Richard A. Orr, General Manager


Lockheed IMS
John Murphy, President & CEO


Mark IV Industries Limited
Kelly Gravelle, Vice President


MFS Network Technologies, Inc.
Kevin P. Moersch, CEO


Motorola, Inc.
Napoleon Hornbuckle, Corporate Vice
President and General Manager
Diversified Technologies Division


Texas Instruments
David R. Slinger
TIRIS General Manager